



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AUDIT EXAMINATION OF THE  
LARUE COUNTY FISCAL COURT**

**Fiscal Year Ended June 30, 1999**

**EDWARD B. HATCHETT, JR.  
AUDITOR OF PUBLIC ACCOUNTS  
[WWW.KYAUDITOR.NET](http://WWW.KYAUDITOR.NET)**

**144 CAPITOL ANNEX  
FRANKFORT, KY 40601  
TELE. (502) 564-5841  
FAX (502) 564-2912**



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## Edward B. Hatchett, Jr. Auditor of Public Accounts

To the People of Kentucky  
Honorable Paul E. Patton, Governor  
John P. McCarty, Secretary  
Finance and Administration Cabinet  
Mike Haydon, Secretary, Revenue Cabinet  
Honorable Tommy Turner, LaRue County Judge/Executive  
Members of the LaRue County Fiscal Court

### Independent Auditor's Report

We have audited the accompanying statement of assets, liabilities, and fund balances arising from cash transactions of LaRue County, Kentucky, as of June 30, 1999, and the related statement of cash receipts, cash disbursements, and changes in cash balances for the year then ended. These financial statements are the responsibility of the LaRue County Fiscal Court. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for Fiscal Court Audits issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

LaRue County, Kentucky, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and laws of Kentucky. Consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of LaRue County, Kentucky, and the related statement of cash receipts, cash disbursements, and changes in cash balances as of and for the year ended June 30, 1999, in conformity with the cash basis of accounting described above.

To the People of Kentucky  
Honorable Paul E. Patton, Governor  
John P. McCarty, Secretary  
Finance and Administration Cabinet  
Mike Haydon, Secretary, Revenue Cabinet  
Honorable Tommy Turner, LaRue County Judge/Executive  
Members of the LaRue County Fiscal Court

Our audit was performed for the purpose of forming an opinion on the financial statements of LaRue County, Kentucky, taken as a whole. The information provided on the accompanying schedules is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated January 13, 2000, on our consideration of LaRue County, Kentucky's compliance with certain provisions of laws, regulations, contracts, and grants, and internal control over financial reporting.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.  
Auditor of Public Accounts

Audit fieldwork completed -  
January 13, 2000

LARUE COUNTY OFFICIALS

June 30, 1999

Tommy Turner	County Judge/Executive
Danny Rock	County Attorney
Linda Carter	County Clerk
Ruth Ann Brown	Circuit Court Clerk
Merle Edlin	Sheriff
Ralph Trumbo	Jailer
James Q. Shaw	Property Valuation Administrator
Janet L. Propes	County Treasurer
George Bertram	Coroner
Peggy Hawkins	Magistrate
Scotty Lee	Magistrate
Gordon Conner	Magistrate
Pat Eastridge	Magistrate





STATEMENT OF ASSETS, LIABILITIES,  
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS



LARUE COUNTY  
STATEMENT OF ASSETS, LIABILITIES,  
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

June 30, 1999

Assets and Other Resources

Assets

General Fund:

Cash	\$ 139,957
Investments	1,044,469

Road and Bridge Fund:

Cash	18,076
------	--------

Jail Fund:

Cash	52,386
------	--------

Jail Commissary Fund:

Cash	4,232
------	-------

Courthouse Improvements Fund:

Investments	1,640,793
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Other Resources

Road and Bridge Fund:

Amounts to be Provided in Future Years for Road Garage Property Lease Purchase Obligations- Principal (Note 4)	351,573
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Amounts to be Provided in Future Years for Road Paving Project Lease Purchase Obligations- Principal (Note 4)	276,000
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Amounts to be Provided in Future Years for Road Grader Lease Purchase Obligations- Principal (Note 4)	110,000
---	---------

Jail Fund:

Amounts to be Provided in Future Years for Jail Capital Lease Obligations - Bond Principal Payments (Note 4)	125,000
---	---------

Courthouse Improvements Fund:

Amounts to be Provided in Future Years for Bond Principal Payments (Note 5)	1,910,000
---	-----------

Building Commission Corporation Fund:

Amounts to be Provided in Future Years for Bond Principal Payments (Note 5)	595,000
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Total Assets and Other Resources	\$ 6,267,486
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The accompanying notes are an integral part of the financial statements.

LARUE COUNTY  
 STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES  
 ARISING FROM CASH TRANSACTIONS  
 June 30, 1999  
 (Continued)

Liabilities and Fund Balances

Liabilities

Road and Bridge Fund:

Road Garage Property Lease Purchase	
Principal (Note 4)	\$ 351,573
Road Paving Project Lease Purchase	
Principal (Note 4)	276,000
Road Paving Project Lease Purchase	
Principal (Note 4)	110,000

Jail Fund:

Capital Lease Obligation - Bond Principal Payments (Note 5)	125,000
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Courthouse Improvements Fund:

Bond Principal Not Matured (Note 5)	1,910,000
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Building Commission Corporation Fund:

Bond Principal Not Matured (Note 5)	595,000
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Fund Balances

Reserved:

Jail Commissary Fund	4,232
Courthouse Improvements Fund	1,640,793

Unreserved:

General Fund	1,184,426
Road and Bridge Fund	18,076
Jail Fund	52,386

Total Liabilities and Fund Balances	<u>\$ 6,267,486</u>
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STATEMENT OF CASH RECEIPTS,  
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

LARUE COUNTY  
STATEMENT OF CASH RECEIPTS,  
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

Fiscal Year Ended June 30, 1999

<u>Cash Receipts</u>	<u>Totals (Memorandum Only)</u>	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Jail Fund</u>
Schedule of Operating Revenue	\$ 2,909,877	\$ 1,391,413	\$ 948,488	\$ 569,976
Transfers In	307,000		100,000	207,000
Kentucky Advance Revenue Program	1,389,560	1,257,230	132,330	
Jail Commissary Fund Receipts	109,712			
Bond Proceeds	1,885,944			
Courthouse Improvements Fund- Receipts	23,083			
Total Cash Receipts	<u>\$ 6,625,176</u>	<u>\$ 2,648,643</u>	<u>\$ 1,180,818</u>	<u>\$ 776,976</u>
<u>Cash Disbursements</u>				
Comparative Schedule of Final Budget and Budgeted Expenditures	\$ 2,856,117	\$ 1,133,046	\$ 1,009,261	\$ 713,810
Transfers Out	307,000	307,000		
Bonds:				
Principal Paid	35,000			35,000
Principal on Capital Lease				
Road Garage	19,403	19,403		
Road Paving	24,000		24,000	
Jail Annex	6,000			6,000
Kentucky Advance Revenue Program Repaid	1,389,560	1,257,230	132,330	
Jail Commissary Fund Expenditures	112,113			
Courthouse Improvements Fund- Expenditures	268,234			
Total Cash Disbursements	<u>\$ 5,017,427</u>	<u>\$ 2,716,679</u>	<u>\$ 1,165,591</u>	<u>\$ 754,810</u>
Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements	\$ 1,607,749	\$ (68,036)	\$ 15,227	\$ 22,166
Cash Balance - July 1, 1998*	<u>1,292,164</u>	<u>1,252,462</u>	<u>2,849</u>	<u>30,220</u>
Cash Balance - June 30, 1999*	<u>\$ 2,899,913</u>	<u>\$ 1,184,426</u>	<u>\$ 18,076</u>	<u>\$ 52,386</u>

\* Cash Balance Includes Investments

The accompanying notes are an integral part of the financial statements.

LARUE COUNTY  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN CASH BALANCES  
Fiscal Year Ended June 30, 1999  
(Continued)

Jail Commissary Fund	Courthouse Improvements Fund
\$	\$
109,712	1,885,944
	23,083
<u>\$ 109,712</u>	<u>\$ 1,909,027</u>
\$	\$
112,113	268,234
<u>\$ 112,113</u>	<u>\$ 268,234</u>
\$ (2,401)	\$ 1,640,793
6,633	
<u>\$ 4,232</u>	<u>\$ 1,640,793</u>

LARUE COUNTY  
NOTES TO FINANCIAL STATEMENTS

June 30, 1999

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of LaRue County include the funds, agencies, boards, and entities for which the fiscal court is financially accountable. Financial accountability, as defined by Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, as amended by GASB 14, was determined on the basis of the government's ability to significantly influence operations, select the governing authority, participate in fiscal management and the scope of public service. Based upon the application of the criteria stated in GASB 14, management has included the Jail Commissary Fund as part of the reporting entity.

B. Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The government uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts.

C. Basis of Accounting

The financial statements were prepared on a cash basis of accounting pursuant to Kentucky Revised Statute (KRS) 68.210 as recommended by the State Local Finance Officer. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts.

D. Legal Compliance - Budget

The LaRue County budget is adopted on a cash basis of accounting and laws of Kentucky as required by the State Local Finance Officer. The County Judge/Executive is required to submit estimated receipts and proposed expenditures to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the State Local Finance Officer. Expenditures may not exceed budgeted appropriations at the activity level.

E. Cash and Investments

Cash includes amounts in bank accounts, and investments are stated at cost. Investments may include certificates of deposit on the financial statements; however, for the purpose of disclosing credit risk (Note 3), investments exclude certificates of deposit.



LARUE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1999  
(Continued)

Note 1. (Continued)

E. Cash and Investments (Continued)

KRS 66.480 authorizes the county to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Employee Retirement System

The county has elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a multiple-employer public retirement system which covers all eligible full-time employees. Benefit contributions and provisions are established by statute. Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 8.22 percent. Hazardous covered employees are required to contribute 8 percent of their salary to the plan. The county's contribution rate for hazardous employees was 18.85 percent.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55.

Historical trend information showing the CERS' progress in accumulating sufficient assets to pay benefits when due is present in the Kentucky Retirement Systems' annual financial report.

Note 3. Deposits

The county maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to KRS 66.480(1)(d) and KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the county and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. These requirements were met, and as of June 30, 1999, the county's deposits were fully insured or collateralized at a 100% level with collateral of either pledged securities held by the county's agent in the county's name, or provided surety bond which named the county as beneficiary/obligee on the bond.

LARUE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1999  
(Continued)

Note 4. Lease-Purchase Agreements

The county has entered into the following lease-purchase agreements:

A. Capital Leases

1. Road Garage Property

On September 12, 1997, the LaRue County Fiscal Court entered into a lease-purchase agreement with the Kentucky Association of Counties Leasing Trust (KACoLT). The lease-purchase agreement was for the purchase of property for the road garage. The principal was \$385,000 at 4.25 percent for a period of 15 years, interest and principal paid monthly. Principal outstanding as of June 30, 1999 is \$351,573. Lease payments excluding an anticipated interest rebate from KACoLT are:

<u>Fiscal Year</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
2000	\$ 17,961	\$ 20,237
2001	16,879	21,108
2002	15,749	22,016
2003	14,572	22,963
2004	13,344	23,951
2005-2011	<u>55,763</u>	<u>241,298</u>
Totals	<u>\$ 134,268</u>	<u>\$ 351,573</u>

2. Road Paving Project

On May 8, 1998 the LaRue County Fiscal Court entered into a lease-purchase agreement with the Kentucky Association of Counties Leasing Trust (KACoLT). The lease-purchase agreement was for the paving of roads. The principal was \$300,000 at 4.5 percent for a period of 10 years interest paid monthly and principal paid annually. Principal outstanding as of June 30, 1999 is \$276,000. Lease payments excluding an anticipated interest rebate from KACoLT are:

<u>Fiscal Year</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
2000	\$ 14,679	\$ 25,000
2001	13,275	26,000
2002	11,791	28,000
2003	10,221	29,000
2004	8,595	30,000
2005-2011	<u>16,444</u>	<u>138,000</u>
Totals	<u>\$ 75,005</u>	<u>\$ 276,000</u>

LARUE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1999  
(Continued)

Note 4. Lease-Purchase Agreements (Continued)

A. Capital Leases (Continued)

3. Jail Annex

On June 22, 1992, the LaRue County Fiscal Court entered into a lease-purchase agreement with the Kentucky Association of Counties Leasing Trust (KACoLT). The lease-purchase agreement was for the construction of a 30-bed jail annex. The principal was \$164,000 at 5.409 percent for a period of 20 years, interest paid monthly and principal paid annually. Principal outstanding as of June 30, 1999, is \$125,000. Lease payments excluding an anticipated interest rebate from KACoLT are:

<u>Fiscal Year</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
2000	\$ 7,830	\$ 7,000
2001	7,381	7,000
2002	6,905	8,000
2003	6,392	8,000
2004	5,852	9,000
2005-2011	<u>24,126</u>	<u>86,000</u>
Totals	<u>\$ 58,486</u>	<u>\$ 125,000</u>

4. Grader

On October 8, 1998, the LaRue County Fiscal Court entered into a lease-purchase agreement with the Kentucky Association of Counties Leasing Trust (KACoLT). The lease-purchase agreement was for the purchase of a grader. The principal was \$110,000 at 3.8 percent for a period of six years, interest paid monthly and principal paid annually. Lease payments excluding an anticipated interest rebate from KACoLT are:

<u>Fiscal Year</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
2000	\$ 4,908	\$ 20,000
2001	3,922	21,000
2002	2,888	22,000
2003	1,806	23,000
2004	<u>676</u>	<u>24,000</u>
Totals	<u>\$ 14,200</u>	<u>\$ 110,000</u>

LARUE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1999  
(Continued)

Note 4. Lease-Purchase Agreements (Continued)

B. Operating Leases

The county has entered into the following operating lease-purchase agreements:

Description	Purchase Date	Maturity Date	Interest Rate	Principal Balance 6/30/99
Road and Bridge Fund:				
KACO Leasing Trust-				
Dump Truck	4/1996	2/2001	4.774%	\$ 21,000
Road Equipment	9/1997	10/2002	4.250%	\$ 46,629
Jail Fund:				
KACO Leasing Trust-				
E-911 Equipment	6/1996	2/2001	5.12%	\$ 123,000

Note 5. Long-Term Debt

A. First Mortgage Revenue Bonds, Series of 1991

The LaRue County Building Commission Corporation Fund issued \$705,000 of First Mortgage Revenue Bonds, Series of 1991, dated January 1, 1991, at various rates for the purpose of constructing a courthouse facility. These bonds are not matured, but are to be discharged in future years by the proceeds of the First Mortgage Refunding Revenue Bonds, Series of 1998. Therefore, these bonds have not been reported on the statement of assets, liabilities, and fund balance arising from cash transactions, or on the statement of cash receipts, cash disbursements, and changes in cash balances included in this audit report. Bonds outstanding as of June 30, 1999, are \$525,000. Debt service requirements due next year and refunded in fiscal year 2001 are:

Fiscal Year	Scheduled Interest	Scheduled Principal
2000	\$ 38,055	\$ 30,000
2001	36,030	495,000
Totals	\$ 74,085	\$ 525,000

LARUE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1999  
(Continued)

Note 5. Long-Term Debt (Continued)

B. First Mortgage Refund Revenue Bonds, Series of 1998

The LaRue County Building Commission Corporation Fund issued \$630,000 of First Mortgage Refunding Revenues Bonds, Series of 1998, dated October 1, 1998, at 4.10% interest rate for the purpose of discharging the outstanding first mortgage Revenue Bonds, Series of 1991 (referred to herein as the "Prior Bonds").

The Corporation issued \$630,000 of refunding revenue bonds, the proceeds of which were used to purchase an escrow for deposit to the Escrow Fund, that amount when added with interest earnings thereon and any cash or investments held by the trustee for the prior year bonds, is planned to be adequate to discharge all outstanding prior bonds. The Escrow Fund is intended to provide the following:

1. Meet the scheduled principal and interest payments of the 1991 prior bonds beginning January 1, 1999 and through January 1, 2001 (dates inclusive);
2. To call on January 1, 2001, all the principal amounts then outstanding of the 1991 prior bonds at 103%;

Debt service requirements are:

<u>Fiscal Year</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
2000	\$ 24,395	\$ 40,000
2001	22,755	40,000
2002	21,115	45,000
2003	19,270	45,000
2004	17,425	50,000
2005-2011	<u>64,370</u>	<u>375,000</u>
Totals	<u>\$ 169,330</u>	<u>\$ 595,000</u>

LARUE COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 1999  
 (Continued)

Note 5. Long-Term Debt (Continued)

C. General Obligation Improvement Bonds, Series of 1999

The LaRue County Fiscal Court issued \$1,910,000 of General Obligation Improvement Bonds, Series of 1999, dated January 1, 1999, at various interest rates for the purpose of constructing courthouse facilities. Debt service requirements are:

<u>Fiscal Year</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
2000	\$ 88,313	\$ 60,000
2001	79,420	65,000
2002	77,080	70,000
2003	74,490	70,000
2004	71,690	75,000
2005-2019	<u>619,570</u>	<u>1,570,000</u>
Totals	<u>\$ 1,010,563</u>	<u>\$ 1,910,000</u>

COMPARATIVE SCHEDULE OF  
BUDGETED TO ACTUAL OPERATING REVENUE





LARUE COUNTY  
COMPARATIVE SCHEDULE OF  
BUDGETED TO ACTUAL OPERATING REVENUE

Fiscal Year Ended June 30, 1999

<u>Budgeted Funds</u>	<u>Budgeted Operating Revenue</u>	<u>Actual Operating Revenue</u>	<u>Over (Under) Budget</u>
General Fund	\$ 3,255,200	\$ 1,391,413	\$ (1,863,787)
Road and Bridge Fund	1,214,400	948,488	(265,912)
Jail Fund	759,700	569,976	(189,724)
Totals	<u>\$ 5,229,300</u>	<u>\$ 2,909,877</u>	<u>\$ (2,319,423)</u>

Reconciliation

Total Budgeted Operating Revenue Above	\$ 5,229,300
Add: Budgeted Prior Year Surplus	324,025
Less: Other Financing Uses	<u>(1,473,963)</u>
Total Operating Budget Per Comparative Schedule Of Final Budget and Budgeted Expenditures	<u>\$ 4,079,362</u>

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SCHEDULE OF OPERATING REVENUE



LARUE COUNTY  
SCHEDULE OF OPERATING REVENUE

Fiscal Year Ended June 30, 1999

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<hr/>				
Revenue From Local Taxes <u>and Excess Fees</u>				
Sheriff:				
Taxes	\$ 434,483	\$ 434,483	\$	\$
Excess Fees - 1998	27,711	27,711		
County Clerk:				
Deed Transfer Tax	20,607	20,607		
Delinquent Taxes	5,279	5,279		
Excess Fees - 1998	71,840	71,840		
Tangible Personal Property Taxes:				
Other Counties	9,793	9,793		
County Clerk	65,690	65,690		
Omitted Property Tax	3,249	3,249		
Telephone E-911 Tax	131,139	131,139		
In Lieu of Taxes:				
City of Hodgenville				
U.S. Treasurer	1,295	1,295		
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 771,086	\$ 771,086	\$ 0	\$ 0
<hr/>				
<u>Federal Receipts - State Treasurer</u>				
Disaster and Emergency Assistance				
Grants - Coordinator Salary	\$ 7,592	\$ 7,592	\$	\$
Housing and Urban Development	6,904		6,904	
Federal Emergency Management				
Agency	11,636		11,636	
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 26,132	\$ 7,592	\$ 18,540	\$ 0
<hr/>				
<u>Kentucky State Treasurer</u>				
Jail:				
Allotments	\$ 28,631	\$	\$	\$ 28,631
Medical Allotments	2,593			2,593
Driving Under The Influence Fees	2,121			2,121

LARUE COUNTY  
 SCHEDULE OF OPERATING REVENUE  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Kentucky State Treasurer</u>				
(Continued)				
Jail (Continued):				
Housing State Prisoners	\$ 100,921	\$	\$	\$ 100,921
Juvenile	7,160			7,160
Class D Felons	196,737			196,737
County Road Aid	551,327		551,327	
Rural Secondary Road Aid	160,610		160,610	
Truck License Distribution	161,448		161,448	
Election Expense Reimbursement	5,610	5,610		
Fire Protection	32	32		
Courthouse Rental - Administrative				
Office of the Courts	116,122	116,122		
Refunds:				
Legal Process Tax	75	75		
Drivers Licenses	1,343		1,343	
Dog Licenses	80	80		
Kentucky Law Enforcement				
Program Fund	14,074	14,074		
Board of Assessments	200	200		
Grants:				
State Grants (Area Development				
Fund)	28,419	28,419		
Arts Council	3,000	3,000		
Parks and Recreation	5,000	5,000		
Paving Grant	47,024		47,024	
Disaster and Emergency				
Assistance Grant-				
Coordinator Salary	3,465	3,465		
Totals	\$ 1,435,992	\$ 176,077	\$ 921,752	\$ 338,163

LARUE COUNTY  
 SCHEDULE OF OPERATING REVENUE  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Miscellaneous Revenue</u>				
Interest	\$ 105,039	\$ 97,869	\$ 6,453	\$ 717
Circuit Court Clerk:				
Jail Cost	8,270			8,270
Boarding Fees	15,065			15,065
Bond Acceptance Fees	725			725
Housing Prisoners - Other Counties	167,229			167,229
Licenses and Permits:				
Cable TV Franchise	16,048	16,048		
Solid Waste Franchise	13,357	13,357		
Charges for Services:				
Ambulance Service	179,426	179,426		
Dispatch Service	42,178	42,178		
Rental and Leases	14,400	14,400		
Reimbursements	72,731	71,328	1,403	
Disaster and Emergency				
Assistance - City of Hodgenville	1,650	1,650		
Road Material Sales	340		340	
Miscellaneous Items	40,209	402		39,807
Totals	<u>\$ 676,667</u>	<u>\$ 436,658</u>	<u>\$ 8,196</u>	<u>\$ 231,813</u>
Total Operating Revenue	<u>\$ 2,909,877</u>	<u>\$ 1,391,413</u>	<u>\$ 948,488</u>	<u>\$ 569,976</u>

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COMPARATIVE SCHEDULE OF  
FINAL BUDGET AND BUDGETED EXPENDITURES



LARUE COUNTY  
COMPARATIVE SCHEDULE OF  
FINAL BUDGET AND BUDGETED EXPENDITURES

Fiscal Year Ended June 30, 1999

	<u>Final Budget</u>	<u>Budgeted Expenditures</u>	<u>Under (Over) Budget</u>
<u>GENERAL FUND</u>			
<u>General Government</u>			
Office of County Judge/Executive:			
Salaries-			
County Judge/Executive	\$ 53,500	\$ 53,245	\$ 255
Deputy Judge Salary	76		76
Postage Charges	750	652	98
Registration, Conferences, and Training	902	902	
Travel	1,200	964	236
Miscellaneous	1,347	1,088	259
Office of County Attorney:			
Salaries-			
County Attorney	10,000	10,000	
Secretary	3,000	3,000	
Telephone	1,000	869	131
Office of County Clerk:			
County Clerk Salary	2,100	2,100	
Insurance - Premium on Bonds	300	267	33
Postal Charges	250	250	
Printing and Binding	500	100	400
Tax Bill Preparation	3,300	2,246	1,054
Telephone	2,912	2,912	
Miscellaneous	500	220	280
Office of Sheriff:			
Other Salaries	14,000	13,228	772
Insurance - Premium on Bonds	406	406	
Machinery and Equipment	3,000	3,000	
Office Supplies	200		200
Other Materials and Supplies	500		500
Postal Charges	3,300	2,763	537
Reimbursements	11,856	11,800	56
Telephone	2,850	2,846	4
Travel	300		300
Miscellaneous	644	644	

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Government</u> (Continued)			
Office of County Coroner:			
Salaries-			
County Coroner	\$ 6,000	\$ 6,000	\$
Deputy Coroner	2,400	2,400	
Materials and Supplies	250		250
Training	400	374	26
Travel	300		300
Miscellaneous	500	199	301
Fiscal Court:			
Magistrates-			
Salaries	22,000	21,316	684
Advertising	2,181	2,181	
Memberships	3,316	3,316	
New Office Equipment	1,200	522	678
Furniture and Fixtures	6,766	6,765	1
Office Materials and Supplies	2,418	1,767	651
Travel	50		50
Fiscal Court Clerk Salary	12,000	11,661	339
Miscellaneous	4,700	4,623	77
Office of Property Valuation Administrator:			
Statutory Contribution	13,493	13,493	
Telephone	1,210	1,084	126
Office of Board of Assessment Appeals:			
Per Diem	800	400	400
Office of County Treasurer:			
County Treasurer Salary	9,750	9,750	
Insurance - Premium on Bond	400	259	141

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Government</u> (Continued)			
Elections:			
Per Diem-			
Election Commissioners	\$ 3,162	\$ 2,325	\$ 837
Election Officers	8,288	8,288	
Advertising	1,000	685	315
Maintenance - Voting Machines	12,086	12,086	
Polling Place Rentals	400	350	50
Printing, Forms, etc.	1,400	1,400	
Planning and Zoning:			
Per Diem	32,800	32,737	63
Courthouse:			
Custodial Salaries	18,033	18,033	
Janitorial Services	18,749	18,749	
Maintenance and Repairs-			
Building	18,800	18,694	106
Equipment	5,500	4,977	523
Rentals	150	55	95
Solid Waste	1,350	1,319	31
Custodial Supplies	9,257	5,490	3,767
Materials and Supplies	200	37	163
Renewals and Repairs	200		200
Water and Sewer	1,250	1,172	78
Electric	12,500	12,355	145
Natural Gas	5,000	2,627	2,373
Miscellaneous	1,000	74	926
<u>Protection to Persons and Property</u>			
County Fire Department:			
Contributions	14,000	14,000	
Miscellaneous	100		100
Petroleum Products	100		100

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>Protection to Persons and Property</u> (Continued)			
Disaster and Emergency Services:			
Salaries-			
Director	\$ 15,250	\$ 15,250	\$
Secretary	10,355	10,355	
Office Materials and Supplies	345	333	12
Postal Charges	250	210	40
Telephone	7,000	6,590	410
Ambulance Service:			
Medical Personnel Salaries	237,000	234,538	2,462
Advertising	200		200
Billing and Processing	11,000	9,825	1,175
Maintenance and Repairs-			
Equipment	850		850
Building	75,000	31,539	43,461
Radio	750	93	657
Vehicles	6,000	5,281	719
Machinery and Equipment	69,200	68,717	483
Motor Vehicle Parts	2,250	1,579	671
Office Supplies	4,000	994	3,006
Petroleum Products	8,000	5,844	2,156
Tires and Tubes	1,541	284	1,257
Medical Supplies	14,300	14,127	173
Postal Charges	300	300	
Telephone	3,506	3,506	
Electric	2,000	1,591	409
Miscellaneous	2,500	2,183	317
Forest Fire Protection:			
Kentucky State Treasurer	1,250	1,124	126
Office of Public Defender:			
Mandated Program Support	1,800	1,460	340

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Health and Sanitation</u>			
Dog Control:			
Dog Warden Salary	\$ 11,500	\$ 11,500	\$
Animal Food and Supplies	1,780	1,780	
Licenses	243	243	
Miscellaneous	653	110	543
Solid Waste:			
Coordinator Salary	13,320	13,320	
Clean-Up	3,000	712	2,288
Mental Health/Mental Retardation:			
Contracts with Vehicle Owners	3,250	3,250	
Soil and Water Conservation:			
Contribution	12,000	12,000	
<u>Social Services</u>			
General Charity and Welfare:			
Pauper Burials	1,500		1,500
Central Kentucky Community Action	2,400	2,400	
Other Social Service Program:			
Kentucky Food Bank Contribution	500	500	
Domestic Violence	700	700	
<u>Recreation and Culture</u>			
Parks:			
Contribution	18,500	18,500	
County Museum:			
Contribution	1,000	1,000	

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>Recreation and Culture</u> (Continued)			
Tourist and Convention:			
Chamber of Commerce	\$ 4,000	\$ 4,000	\$
Other Cultural Programs:			
Arts Council Contribution	10,000		10,000
<u>Debt Service</u>			
Borrowed Money:			
Interest	27,505	27,505	
Other County Liabilities:			
Interest on Capital Leases	19,000	14,128	4,872
<u>Capital Projects</u>			
Waterline Construction:			
Roanoke Waterline Construction	928,880		928,880
<u>Administration</u>			
General Services:			
Grants/Programs Administrator Salary	10,000	5,000	5,000
Audit Service	11,950	11,950	
Area Development District Contribution	3,600	3,504	96
Insurance	37,500	35,242	2,258
Contingent Appropriations:			
Reserve for Transfers	717		717



LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>Administration</u> (Continued)			
Fringe Benefits:			
County Contributions-			
Social Security	\$ 49,500	\$ 49,247	\$ 253
Retirement	91,500	89,024	2,476
Life Insurance	750	640	110
Health Insurance	40,300	40,078	222
Worker's Compensation	30,000	15,485	14,515
Unemployment Insurance	1,120	440	680
Total Operating Budget	\$ 2,185,467	\$ 1,133,046	\$ 1,052,421
Other Financing Uses:			
Principal on Capital Lease	19,403	19,403	
Kentucky Advance Revenue Program-			
Principal	1,257,230	1,257,230	
Total General Fund	\$ 3,462,100	\$ 2,409,679	\$ 1,052,421

ROAD AND BRIDGE FUND

Roads

Office of Road Supervisor/Engineer:

Salaries-			
Road Supervisor	\$ 29,416	\$ 29,132	\$ 284
Secretary	8,884	8,884	
Advertising	387	387	
Maintenance and Repairs	200		200
Office Supplies	1,874	1,630	244
Postal Charges	96		96
Stationary and Forms	150		150
Registration and Training	200	25	175
Travel	250		250
Office Equipment	1,675	63	1,612

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND</u> (Continued)			
<u>Roads</u> (Continued)			
Road Maintenance:			
Road Workers Salaries	\$ 165,364	\$ 165,364	\$
Asphalt	111,500	110,423	1,077
Crushed Stone and Gravel	101,700	99,361	2,339
Contracted Construction - Roads	373,800	280,171	93,629
Contracted Construction - Bridges	1,500		1,500
Maintenance Agreements	3,500	3,133	367
Garage Supplies	10,000	9,901	99
General Construction Materials	5,000	4,889	111
Maintenance and Repairs-			
Building	1,700	1,458	242
Vehicles	12,000	11,493	507
Equipment	6,500	6,274	226
Rentals	7,925	7,925	
Machinery and Equipment-			
Repairs	47,052	23,284	23,768
Motor Vehicle Parts	26,000	25,662	338
Petroleum Products	32,111	29,732	2,379
Pipes	12,404	12,404	
Signs	2,000	599	1,401
Solid Waste	768	768	
Salt	8,645	8,645	
Tires and Tubes	9,000	7,786	1,214
Reimbursement	8,000	699	7,301
Telephone	2,100	1,095	1,005
Materials and Supplies	3,500	1,227	2,273
Water and Sewer	880	801	79
Electric	3,500	3,500	
Natural Gas	2,100	1,653	447

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND</u> (Continued)			
<u>Debt Service</u>			
Borrowed Money:			
Interest	\$ 2,895	\$ 2,895	\$
Other County Liabilities:			
Lease-Purchase Agreements	30,880	30,880	
Interest on Capital Leases	21,326	21,326	
<u>Administration</u>			
General Services:			
Insurance	27,000	26,713	287
Audit	4,000	4,000	
Contingent Appropriations:			
Reserve for Budget Transfers	1,705		1,705
Fringe Benefits:			
County Contributions-			
Retirement	18,041	18,041	
Social Security	13,644	13,644	
Life Insurance	273	257	16
Health Insurance	19,250	19,203	47
Worker's Compensation	10,000	9,591	409
Unemployment Insurance	3,500	3,384	116
Total Operating Budget	\$ 1,155,195	\$ 1,009,261	\$ 145,934
Other Financing Uses:			
Principal on Capital Lease - Road Garage	24,000	24,000	
Kentucky Advance Revenue Program-			
Principal	132,330	132,330	
Total Road and Bridge Fund	\$ 1,311,525	\$ 1,165,591	\$ 145,934

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>JAIL FUND</u>			
<u>Protection to Persons and Property</u>			
Office of Jailer:			
Personnel Services-			
Salaries-			
Jailer	\$ 52,882	\$ 52,882	\$
Jail Personnel	139,400	138,818	582
Dispatchers	68,100	67,767	333
Part-Time Personnel	26,617	26,548	69
Other Personnel	12,500	12,500	
Operations-			
Custodial Supplies	11,000	8,764	2,236
Food Preparation and Serving Supplies	2,700	2,356	344
Food	90,926	86,636	4,290
Jail Linens	1,850	1,836	14
Office Supplies	1,398	1,398	
Prisoner Clothing	800	695	105
Routine Medical	33,913	31,023	2,890
Staff Travel	7,500	7,012	488
Telephone	2,800	2,664	136
Utilities	20,662	20,662	
Maintenance Agreements	9,897	2,157	7,740
Miscellaneous Operating Expense	4,550	4,500	50
Furniture and Fixtures	500	75	425
Maintenance-			
Vehicle	2,338	2,001	337
Equipment Repairs	10,000	7,828	2,172
Equipment-			
Communication Equipment - Lease	65,006	65,006	
E-911 Telephone	25,250	24,372	878
Other Equipment	3,300	3,111	189
Juvenile Detention:			
Contracts with Government Agencies	42,830	42,830	

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>JAIL FUND</u> (Continued)			
<u>Debt Service</u>			
General Obligation Bonds:			
Interest	\$ 24,774	\$ 24,774	\$
Jail Capital Lease Obligations:			
Interest	6,956	6,956	
<u>Administration</u>			
General Services:			
Memberships	450	450	
Training	714	714	
Building Insurance	1,000		1,000
Fringe Benefits:			
County Contributions-			
Retirement	21,995	21,414	581
Social Security	20,680	20,649	31
Health Insurance	25,412	25,412	
Total Operating Budget	\$ 738,700	\$ 713,810	\$ 24,890
Other Financing Uses:			
General Obligations Bonds - Principal	35,000	35,000	
Jail Capital Lease Obligations - Principal	6,000	6,000	
Total Jail Fund	\$ 779,700	\$ 754,810	\$ 24,890

LARUE COUNTY  
 COMPARATIVE SCHEDULE OF  
 FINAL BUDGET AND BUDGETED EXPENDITURES  
 Fiscal Year Ended June 30, 1999  
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
Total Operating Budget - All Funds	\$ 4,079,362	\$ 2,856,117	\$ 1,223,245
Other Financing Uses:			
General Obligations Bonds-			
Principal	35,000	35,000	
General Capital Lease Obligations			
Principal	19,403	19,403	
Road Capital Lease Obligations			
Principal	24,000	24,000	
Jail Capital Lease Obligations			
Principal	6,000	6,000	
Kentucky Advance Revenue Program-			
Principal	1,389,560	1,389,560	
TOTAL BUDGET - ALL FUNDS	<u>\$ 5,553,325</u>	<u>\$ 4,330,080</u>	<u>\$ 1,223,245</u>

SCHEDULE OF COURTHOUSE IMPROVEMENTS FUND EXPENDITURES





LARUE COUNTY  
SCHEDULE OF COURTHOUSE IMPROVEMENTS FUND EXPENDITURES

Fiscal Year Ended June 30, 1999

<u>Expenditures</u>	<u>Amount</u>
Administrative Fees	\$ 30,300
Construction Expenses	<u>237,934</u>
Total Courthouse Improvements Fund Expenditures	<u><u>\$ 268,234</u></u>

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS





Edward B. Hatchett, Jr.  
Auditor of Public Accounts

Honorable Tommy Turner, LaRue County Judge/Executive  
Members of the LaRue County Fiscal Court

Report On Compliance And On Internal Control  
Over Financial Reporting Based On An Audit Of Financial  
Statements Performed In Accordance With Government Auditing Standards

We have audited the financial statements of LaRue County, Kentucky, as of and for the year ended June 30, 1999, and have issued our report thereon dated January 13, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether LaRue County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered LaRue County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weakness.

Honorable Tommy Turner, LaRue County Judge/Executive  
Members of the LaRue County Fiscal Court  
Report On Compliance And On Internal Control  
Over Financial Reporting Based On An Audit Of Financial  
Statements Performed In Accordance With Government Auditing Standards  
(Continued)

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than the specified party. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.  
Auditor of Public Accounts

Audit fieldwork completed -  
January 13, 2000

